

House File 655 - Reprinted

HOUSE FILE 655

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HF 300)

(SUCCESSOR TO HSB 56)

(As Amended and Passed by the House March 30, 2011)

A BILL FOR

1 An Act relating to the assessment of certain subdivided real
2 property and including effective date and retroactive
3 applicability and other applicability provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 405.1, Code 2011, is amended to read as
2 follows:

3 **405.1 Housing development — tax status — limitation.**

4 ~~1. The board of supervisors of a county with a population~~
5 ~~of less than twenty thousand may adopt an ordinance providing~~
6 ~~that property acquired and subdivided for development of~~
7 ~~housing shall continue to be assessed for taxation in the~~
8 ~~manner that it was prior to the acquisition for housing. Each~~
9 ~~lot shall continue to be taxed in the manner it was prior~~
10 ~~to its acquisition for housing until the lot is sold for~~
11 ~~construction or occupancy of housing or five years from the~~
12 ~~date of subdivision, whichever is shorter. Upon the sale or~~
13 ~~the expiration of the five-year period, the property shall be~~
14 ~~assessed for taxation as residential or commercial multifamily~~
15 ~~property, whichever is applicable~~ actually improved with a
16 residential structure.

17 ~~2. The board of supervisors of a county with a population~~
18 ~~of twenty thousand or more may adopt an ordinance providing~~
19 ~~that property acquired and subdivided for development of~~
20 ~~housing shall continue to be assessed for taxation in the~~
21 ~~manner that it was prior to the acquisition for housing. Each~~
22 ~~lot shall continue to be taxed in the manner it was prior~~
23 ~~to its acquisition for housing until the lot is sold for~~
24 ~~construction or occupancy of housing or three years from the~~
25 ~~date of subdivision, whichever is shorter. Upon the sale or~~
26 ~~the expiration of the three-year period, the property shall be~~
27 ~~assessed for taxation as residential or commercial multifamily~~
28 ~~property, whichever is applicable.~~

29 Sec. 2. Section 441.72, Code 2011, is amended to read as
30 follows:

31 **441.72 Assessment of platted lots.**

32 When a subdivision plat is recorded pursuant to chapter
33 354, the individual lots within the subdivision plat shall
34 not be assessed in excess of the total assessment of the
35 land as acreage or unimproved property ~~for three years after~~

1 ~~the recording of the plat or~~ until the lot is actually
2 improved with a permanent construction, whichever occurs
3 ~~first~~ residential, industrial, or commercial structure. When an
4 individual lot has been improved with a permanent construction
5 residential, industrial, or commercial structure, the lot shall
6 be assessed for taxation purposes as provided in chapter 428
7 and this chapter. This section does not apply to special
8 assessment levies.

9 Sec. 3. EFFECTIVE UPON ENACTMENT AND APPLICABILITY. This
10 Act, being deemed of immediate importance, takes effect upon
11 enactment, applies to subdivision plats recorded on or after
12 January 1, 2004, and applies retroactively to assessment years
13 beginning on or after January 1, 2011.